

SALEM

RETIREMENT BOARD

Board Members: Dennis F. Flynn
(Chairperson)
John H. Burke, Jr.
Bruce M. Guy
Katherine O'Leary
Gary A. Peterson

Address: 20 Central Street
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Active Members: 823

Retired Members: 655

INVESTMENT

ASSET GROWTH

1998 Market Value: \$68 million
1997 Market Value: \$57 million
1996 Market Value: \$49 million
1995 Market Value: \$45 million

ADMINISTRATION

Board Administrator: Mary S. Perotis

YEAR 2000 READINESS AS OF 3/31/99

The Board reports that they have addressed the Y2K issues.

ACTUARIAL

Funded Ratio: 55.5% [1/97]
57.2% [1/94]

Date of Last Valuation: 1/97

Actuary: PricewaterhouseCoopers

Funding Schedule: Increasing 4.0%

Year Fully Funded: 2028

DISABILITY RETIREMENT STATISTICS AS OF 12/31/98

Accidental/Ordinary

Panel Requests: 2

Accidental/Ordinary

Disability Approvals: 2

CME Reviews: 1

Restored to Service: 0

AUDIT FINDINGS AS OF 12/31/97

1. Treasurer fails to reconcile bank accounts.

INVESTMENT

RETURN

1998: 20.94%

1994-1998: 14.46%

1985-1998: 11.97%

Actuarial Assumed

Rate of Return: 8.50%

Average Investment

Return Target: 9.00%